

1 Seelig were not in the position to give so generously.

2 In recent years, New Jersey government has
3 worked to enable the gaming industry to better serve
4 the citizens of the entire state. As an elected
5 official, I'm very proud to be a member of the
6 Commerce, Tourism, Gaming, and Military and Veterans'
7 Affairs Committee. That's a long title, but very
8 important, and as lawmakers, we are committed to
9 continuing to bring New Jersey citizens the far
10 reaching benefits a flourishing gaming industry can
11 provide.

12 I want to thank you for your attention,
13 and enjoy your stay.

14 CHAIRMAN JAMES: Thank you so much.

15 Mayor Whelan.

16 MR. WHELAN: Madame Chairman and members
17 of the Commission, let me welcome you, add my welcome
18 to the governor and others who spoke before me. We're
19 delighted any time people come to Atlantic City to
20 visit us because that's what we do. We're in the
21 hospitality business, and when we have visitors, it's
22 a pleasure to come and welcome.

1 Let me say this is the first federal group
2 that has come, but in all candor, you are not the
3 first group of public officials or interested citizens
4 who have come to Atlantic City to learn a little bit
5 about what has happened here during the casino era,
6 and it seems to me that Atlantic City -- we're a
7 little bit like that ink blot test that we may be
8 familiar with from our college psychology courses,
9 where, you know, some people look at it. They look at
10 the ink blot and they see a butterfly, and other
11 people look at the ink blot and they see a cockroach.
12 You know, that's a little bit of what our experience
13 here has been with folks who come.

14 Those who come perhaps with a bias in
15 favor of casino gambling come and see the butterfly,
16 and those who come perhaps with a bias against it see
17 the cockroach.

18 Part of that is because Atlantic City
19 remains very much a work in progress. We'll have an
20 opportunity, I hope, with some of you today to go out
21 and physically look at the town. So we'll save those
22 issues for then, but I think that it's important that

1 we understand what gambling won't do.

2 Gambling is not a cure all. It is not
3 going to solve all of the social problems of the
4 community. It's not going to cure AIDS. It doesn't
5 prevent teenagers from dropping out of school, and it
6 doesn't prevent drug problems. It doesn't prevent,
7 you know, -- it doesn't eliminate crime. In any case, we
8 think it has reduced crime, but it doesn't
9 eliminate crime, and so on.

10 But there's the other side to the story of
11 what it does do. The short version of that is jobs
12 and public revenue, and of course, when politicians
13 talk about public revenue, we're talking about taxes.
14 The reality is, and you have some of the statistics,
15 there has been a huge increase in jobs in this region,
16 and there has been a huge increase of public revenues
17 at the state level, county level, local level, and
18 clearly some of those revenues go to support programs
19 that, in fact, attack the social problems, whether
20 it's Youth Build, which you've heard about which I
21 happen to chair, and our Council President is a member
22 of that board; the PAAD Program, and so on.

1 There is a public benefit directly linked
2 to the casinos both in terms of rebuilding Atlantic
3 City through CRDA, the Casino Reinvestment Development
4 Authority -- and, again, we'll see some of their work
5 today, and some of their work was articulated by
6 Senator Torricelli around the state -- and also in
7 terms of supporting government generally.

8 You know, again, we will see an \$80
9 million high school 70 percent of which is being paid
10 for by casino taxes.

11 One other point I'd like to make in terms
12 of the benefits is the casinos are good corporate
13 citizens. The myth that exists out there that there
14 are bad guys lurking in the closets or under the beds
15 of the casinos is just that, a myth. It may have been
16 based on a reality back in the 1940s, that there was
17 a mafia or a mob influence, but the reality is that
18 our casinos are major publicly traded corporations,
19 and again, as the Attorney General has indicated,
20 probably the most regulated industry in the country,
21 and we would suggest the cleanest industry in the
22 country.

1 But beyond that issue of corruption --
2 that's just eliminating the negative -- is the
3 positive. Our casinos, I would match their record of
4 philanthropic and charitable contributions and civic
5 involvement against any industry in any community in
6 this state and, I would suspect, in the nation.

7 One of the questions that we get asked,
8 perhaps not by this panel but by other communities --
9 we have newspaper who come in from, you know,
10 communities somewhere that's considering gambling --
11 is will it work in that town. I don't know the answer
12 to that. You know, in some cases it has worked. In
13 other cases, it will not work, and what the dynamics
14 of that are, frankly, I'm not smart enough to figure
15 out.

16 It works here in Atlantic City. I think
17 There are a couple of reasons that are unique to
18 Atlantic City why it works here. The first is that we
19 were always a resort town, and the truth is that we
20 were always a resort town that was a little bit
21 naughty.

22 The fact is, if you talk to some of the

1 old timers around here, they will tell you that
2 prohibition was but a rumor in Atlantic City.

3 (Laughter.)

4 MR. WHELAN: And they will also tell
5 you -- you will hear people say, "Well, when we got
6 gambling," and something you'll get corrected and say,
7 "You mean when we got legal gambling," because there
8 are those who would suggest that Atlantic City had
9 gambling before we had legal gambling.

10 Let me close on two points. The first is
11 that we have a rather selfish, narrow interest here,
12 which is if this Commission were to recommend to
13 Congress that there should be no further expansion of
14 casino gambling, that's not the worst thing in the
15 world that would happen to Atlantic City, quite
16 frankly. That might force companies like MGM and Mr.
17 Lanni and others to direct their investments to
18 communities like Atlantic City and Biloxi and Las
19 Vegas that already have casino gambling.

20 So we kind of have a selfish interest in
21 telling you, you know, geez, gambling is terrible.
22 Nobody should have it, and so on, but frankly, that

1 would be a disservice. It would be a disservice to
2 our community. It would be a disservice to the people
3 from the casino industry who are helping us rebuild
4 Atlantic City, and it would be a disservice to our
5 country in that you have a mission from the Congress
6 to go out and get the facts about casino gambling.

7 The short version is that Atlantic City
8 would be dead without casino gambling, and, again,
9 whether it would work on other communities, whether
10 the job is completed here, the answer is we don't know
11 if it'll work in other communities. The job clearly
12 is not completed here, but Atlantic City is alive and
13 well and making progress in large part because of
14 casino gambling.

15 Again, we thank you and welcome you to
16 Atlantic City.

17 CHAIRMAN JAMES: Thank you so much, Mayor
18 Whelan.

19 Ros.

20 MS. NORRELL-NANCE: Good morning,
21 Commissioners, and welcome to the great, really great
22 City of Atlantic City.